



UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
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March 6, 2020

VIA ECF FILING

Honorable Loretta A. Preska  
United States District Court  
Southern District of New York  
500 Pearl Street, Room 2220  
New York, NY 10007-1312

Re: SEC v. Taylor, et al., 19-cv-09744 (LAP)

Dear Judge Preska:

The Commission writes in response to the Court's February 26, 2020 Order (the "Order") regarding the status of this civil action.

As this Court is aware, on December 23, 2019, the Commission filed a motion to amend in *SEC v. Cohen and Nikas*, 19 Civ. 9455 (CM). Through the proposed amendment, the Commission sought to add claims to the complaint against defendant George Nikas related to his participation in the insider trading scheme previously alleged against defendants Taylor and Windsor in the instant case. Specifically, the proposed amended complaint alleged that Nikas had been tipped by a Switzerland-based trader with material, non-public information that was misappropriated by Taylor and/or Windsor from the investment banks in London where Taylor and Windsor were employed. On January 6, 2020, Judge McMahon denied the Commission's motion to amend without prejudice "to [the motion] being renewed in the action entitled *SEC v. Taylor, Windsor and El-Khoury*, 19 Civ. 0744 (LAP)." (ECF No. 31) Judge McMahon's order specifically directed that the Commission move this Court "for leave to add Nikas as a party defendant in the case dealing with the Taylor-Windsor tipping scheme[.]" *Id.*

At present, the Commission is engaged in discussions with Mr. Nikas's counsel regarding the resolution of all claims pending in the case before Judge McMahon, as well as any potential claims related to the Taylor/Windsor tipping scheme. The Commission anticipates filing an amended *SEC v. Taylor, Windsor* complaint once those discussions have concluded. In order to provide the parties with sufficient time to conclude these negotiations, the Commission asks this Court for permission to file an amended complaint pursuant to Federal Rule of Civil Procedure 15(a)(1)(A) on or before March 27, 2020, to add new claims against Mr. Nikas. The Commission has met and conferred with counsel to Mr. Nikas regarding the above-described issues, and counsel is aware of the Commission's proposed timing as to the amended complaint.

Moreover, upon filing the amended complaint, the Commission intends to proceed with serving the amended complaint on the defendants, all of whom reside outside of the United States. Pursuant to this Court's Order, the Commission has now conferred with counsel for all defendants. Based on those discussions, the Commission does not anticipate that any of the defendants will accept service of process through U.S.-based counsel (none of whom have filed appearances in this case), and the Commission thus anticipates filing motions with this Court for the issuance of both letters of request via the Hague Service Convention and letters rogatory.

Thank you in advance for your consideration of this matter.

Sincerely,



Rua M. Kelly

Cc: Henry Klingeman, Esq. (counsel to defendant George Nikas)